

STAND. COM. REP. NO.

838

Honolulu, Hawaii

MAR 02 , 2023

RE: H.B. No. 259
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 259 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose of this measure is to support Hawaii's coffee growers by:

- (1) Requiring disclosure on the label of coffee blends of the respective geographic and regional origins of coffee included in the blends and percent by weight of the blended coffees;
- (2) Making it a violation to use a geographic origin in labeling or advertising for roasted or instant coffee blends that contain less than a certain percentage of coffee by weight from that geographic origin, phased in to a minimum of fifty-one percent; and
- (3) Prohibiting use of the term "All Hawaiian" in labeling or advertising for roasted or instant coffee not produced entirely from green coffee beans grown and processed in Hawaii.

2023-2309 HB259 HD1 HSCR HMSO-1



Your Committee received testimony in support of this measure from the Department of Agriculture, two members of the Hawai'i County Council, Lions Gate Farms, Life of the Land, Rancho Aloha Coffee Farm, Ka'u Coffee Mill, Cyanotech Corporation, Kona Coffee Farmers Association, Hawaii's Thousand Friends, Kanalani Ohana Farm, Hawai'i Farmers Union United, Maui Farmers Union, Cassandra Farms, Ka Ohana O Na Pua, and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaii Coffee Company.

Your Committee finds that coffee is an important agricultural crop of the State and a highly valued commodity in Hawaii. Your Committee further finds that the State's coffee labeling law authorizes the use of geographic regions in Hawaii on certain coffee products, even if only ten percent of the coffee in a blended coffee product actually originates in Hawaii. Blended coffees do not always provide the consumer with the proper taste profile and may mislead the consumer about a region's specific flavor qualities. Blended coffees can also depress the price of one hundred percent Hawaii-grown coffees.

Your Committee notes that other jurisdictions require that one hundred percent of the coffee must originate in the geographic area to protect the value, integrity, and reputation of that product and its associated geographic origin name. This measure provides a mechanism by which the State's coffee industry can ensure the authenticity of its products and the consumer can rely upon the veracity of labels and advertising identifying the coffee's origin.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 259, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 259, H.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,




MARK M. NAKASHIMA, Chair



State of Hawaii
House of Representatives
The Thirty-second Legislature

HSCR 838

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: <i>HB 259</i>	Committee Referral: <i>CPC</i>	Date: <i>02-28-23</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)	—			
2. SAYAMA, Jackson D. (VC)	—			
3. AMATO, Terez	—			
4. BELATTI, Della Au				—
5. HASHEM, Mark J.	—			
6. HUSSEY-BURDICK, Natalia	—			
7. GATES, Cedric Asuega				—
8. LOWEN, Nicole E.	—			
9. ONISHI, Richard H.K.		—		
10. TAM, Adrian K.	—			
11. PIERICK, Elijah	—			
TOTAL (11)	8	1		2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				